



Audit Report
HEALTHCARE SERVICES
JULY 1, 2013 – SEPTEMBER 30, 2013
Status: Final

For action:
Candy Blair

Health Care Administrator

For information:

Jeff May
Shela Vinson

County Auditor
Second Assistant Auditor

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Report Summary

As part of the 2013 Compliance Audit Plan, an audit of the Healthcare Services was conducted in accordance with Texas Local Government Code §115.002.

The overall objective of the audit was to provide assurance that internal controls are in place to ensure:

- The officer has collected all the money they are obligated to collect
- The money collected was properly remitted to the appropriate party
- All funds are properly managed
- All money is properly accounted for, accurately reported, and adequately safeguarded
- The operations of the office conform to prescribed procedures
- Exposure to potential risk is minimized

The audit scope included an audit of banking, cash receipts and internal controls. The time period audited was July 1, 2013 through September 30, 2013.

Refer to the Observations and Recommendations section for the results of the audit.

This review was not intended to provide absolute assurance on all procedures, activities, or controls. We will continue to examine aspects of the office in compliance with statutes and to provide reasonable assurance that County assets are safeguarded and appropriately managed.

An exit conference with the Health Care Administrator was held on Friday, January 31, 2014 to discuss this report.

The time and assistance provided by the Health Care Administrator and the staff during this engagement is greatly appreciated.

Observations and Recommendations

Observation	Recommendation	Management Response
<p><u>Condition:</u> September 11, 2013 manual receipts #911993 (\$56) & #911996 (\$20) recorded cash payments that were not entered onto an electronic receipt and the cash was not deposited into the Treasury.</p> <p><u>Effect:</u> Cash deposit shortage and inaccurate financial records.</p> <p><u>Cause:</u> When the \$76 was charged, an electronic receipt was not created.</p> <p><u>Criteria:</u> An electronic receipt should be created to record each manual receipt.</p>	<p><u>A. Transaction Required:</u> The \$76 shortage should be accounted for and deposited into the bank.</p> <p><u>B. Internal Control Change:</u> To reduce the risk that manual receipts are issued and the money is not deposited, the manual receipt books should not be issued until the electronic receipts are unavailable. When the electronic receipts are available again, the manual receipt book should be compared at the end of the day with all receipts, manual and electronic to ensure accuracy.</p>	<p><u>Response:</u></p> <p>A. \$76 was deposited on 3/31/14, receipt #5981.</p> <p>B. Staff have been advised and counseled regarding proper use of receipt books. Supervisor will audit/inspect each entry made in the receipt books with the electronic entry. The receipt books are used in the office only when the AS400 is down.</p>